## **RESOLUTION NO. 75579**

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE **AUTHORIZING** THE CITY MANAGER NEGOTIATE AND **EXECUTE** Α **FOCUS** AGREEMENT WITH ALASKA AIR GROUP. WITH A RETROACTIVE COMMENCEMENT DATE OF MARCH 10. 2010, TO IMPLEMENT THE TERMS AND CONDITIONS OF THE FOCUS CITY PROMOTIONAL FEE WAIVER INCENTIVE PROGRAM FOR NEW AIR SERVICE AT MINETA SAN JOSE INTERNATIONAL AIRPORT

WHEREAS, on December 1, 2009, the City Council approved a new Focus City Incentive Fee Waiver Program (Focus City Incentive Program) in order to encourage airlines to add new air service at Mineta San Jose International Airport (SJC); and

WHEREAS, compared to the preexisting incentive program, the Focus City Incentive Program offers longer incentive periods to any airline that designates SJC as a Focus City and commits to two consecutive years of incremental growth at SJC, adding a minimum number of new qualifying routes and frequencies; and

WHEREAS, Alaska Air Group considered signing a Focus City agreement earlier this year, but deferred action until it could evaluate the performance of the new flights it launched this spring and determine whether it had sufficient resources to add another four flights in the second year; and

WHEREAS, assuming a retroactive start date in March 2010, Alaska Air Group has expressed its willingness to commit additional resources to allow more service to be added in what would be the second year of the Focus City Incentive Program, from March 2011 through March 2012; and

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WHEREAS, approval of retroactivity would signal the commitment of the City to support Alaska Air Group's new interest in growing at SJC and encourage Alaska Air Group to continue to add new routes and frequencies, as well as enhance SJC's ability to encourage other carriers to add routes for San Jose and signal the City's commitment to strengthen long term partnerships with airlines;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager is hereby authorized to negotiate and execute a Focus City

Agreement with Alaska Air Group, with a retroactive commencement date of March 10,

2010, to implement the terms and conditions of the Focus City Promotional Fee Waiver

Incentive Program for new air service at Mineta San Jose International Airport.

ADOPTED this 5th day of October, 2010, by the following vote:

AYES:

CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA,

KALRA, LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES:

NONE.

ABSENT:

NONE.

DISQUALIFIED:

NONE.

CHUCK REED

Mayor

ATTEST:

LEE PRICE, MMC

City Clerk